Issue Date: February 2014

## Health Care Reform Update # 10

**Medi-Cal Program** 

Questions or Comments? Send an e-mail to: HCR@dpss.lacounty.gov -





### DIFFERENCE BETWEEN MAGI AND NON-MAGI MEDI-CAL

### MAGI MEDI-CAL

## **NON-MAGI MEDI-CAL**

#### **PROGRAM CATEGORIES**

- NO SHARE-OF-COST (SOC) MEDI-CAL:
  - 19-64 SINGLE CHILDLESS ADULTS
  - PARENT AND CARETAKER RELATIVES
  - PREGNANT WOMEN
  - **CHILDREN** 
    - SOME CHILDREN CATEGORIES **INCLUDE PREMIUM PAYMENTS**

- SOC AND NO-SOC MEDI-CAL:
  - AGED, BLIND, AND DISABLED
  - LONG-TERM CARE
  - SNEEDE:
    - **UNMARRIED PARENTS**
    - STEP-PARENTS
    - CARETAKER RELATIVES
    - CHILDREN WITH THEIR OWN **INCOME**
  - MEDICALLY NEEDY (MN)

#### PROPERTY AND RESOURCES

- PROPERTY AND RESOURCES ARE NOT COUNTED IN THE ELIGIBILITY DETERMINATION
- DO NOT REQUEST VERIFICATION OF PROPERTY AND RESOURCES
- PROPERTY AND RESOURCES ARE COUNTED IN THE ELIGIBILITY DETERMINATION
- REQUEST VERIFICATION OF PROPERTY AND **RESOURCES**

#### **COVERED CALIFORNIA SUBSIDIES**

- NOT ELIGIBLE TO COST SHARING REDUCTION (CSR) SUBSIDIES
- NOT ELIGIBLE TO ADVANCED PREMIUM TAX CREDIT (APTC)
- CAN BE ELIGIBLE TO BOTH NON-MAGI MEDICAL WITH SOC AND CSR SUBSIDIES
- CAN BE ELIGIBLE TO BOTH NON-MAGI MEDICAL WITH SOC AND APTC

LO



#### TAX FILING HOUSEHOLD

A tax filing household consists of the tax filer and any individuals who are claimed as dependents on the tax filer's federal income tax return. A tax filing household may include the tax filer's spouse and/or dependents.

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#### TAX PENALTY FOR NO HEALTH CARE COVERAGE

Individuals who do not have health insurance in 2014 may have to pay a penalty on their taxes. This penalty or fee is also referred to as the "Tax Penalty", "Shared Responsibility Fee", or "Shared Responsibility Payment". All three names refer to the same thing.

- For 2014, the fee is \$95 or 1 percent of yearly income per person, whichever is larger. The fee will not be larger than the national average yearly premium for a Bronze plan, which is a type of plan that pays on average 60 percent of the cost of care.
- In 2015, the fee will be 2 percent of yearly income or \$325 per person, whichever is larger. In 2016, the fee will be 2.5 percent of yearly income or \$695 per person, whichever is larger.

#### Is there an exemption to the fee?

Yes, there are nine ways to qualify for an exemption; if the individual:

- Is uninsured for less than 3 months of the year;
- Does not have to file a tax return because his/her income is below the filing threshold;
- Is a member of a federally recognized tribe or eligible for services through an Indian Health Services provider;
- Is a member of a recognized health care sharing ministry;
- Is a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare;
- Is in prison and not waiting for a disposition of charges against him/her;
- Is not lawfully present in the United States;
- Is experiencing a qualifying hardship; or
- The lowest-priced coverage available to the individual would cost more than 8 percent of his/her household income.

Visit https://www.healthcare.gov/exemptions to learn more about qualifying hardships.

#### How to apply for an exemption?

Covered California does not run the exemption process. Exemption applications are now available from the federal government. For more information and links to the applications, visit https://www.healthcare.gov/exemptions. If you have questions about qualifying for an exemption to prevent receiving a tax penalty, call the federal Marketplace Services at (800) 318-2596.

Source: Covered CA "Applications for Exemption from the Shared Responsibility Fee" fact sheet, dated 01/14/14